

(p) *Nuclear fuel records required.* Each utility shall keep all the necessary records to support the entries to the various nuclear fuel plant accounts classified under "Assets and Other Debits," Utility Plant Accounts 120.1 through 120.5, inclusive; Account 518, Nuclear Fuel Expense; and Account 157, Nuclear Materials Held for Sale. These records shall be so kept as to readily furnish the basis of the computation of the net nuclear fuel costs.

**§ 1767.17 Operating expense instructions.**

(a) *Supervision and engineering.* The supervision and engineering includible in the operating expense accounts shall consist of the salary, employee pensions and benefits, social security and other payroll taxes, injuries and damages, and other expenses of superintendents, engineers, clerks, other employees, and consultants engaged in supervising and directing the operation and maintenance of each utility function. Whenever allocations are necessary in order to arrive at the amount to be included in any account, the method and basis of allocation shall be reflected by underlying records.

(1) Labor items:

(i) Special tests to determine efficiency of equipment operation;

(ii) Preparing or reviewing budgets, estimates, and drawings relating to operation or maintenance for departmental approval;

(iii) Preparing instructions for operations and maintenance activities;

(iv) Reviewing and analyzing operating results;

(v) Establishing organizational setup of departments and executing changes therein;

(vi) Formulating and reviewing routines of departments and executing changes therein;

(vii) General training and instruction of employees by supervisors whose pay is chargeable hereto. Specific instructions and training in a particular type of work is chargeable to the appropriate functional account (See paragraph (c)(19) of this section); and

(viii) Secretarial work for supervisory personnel, but not general clerical and stenographic work chargeable to other accounts.

(2) Expense items:

(i) Employee pensions and benefits;

(ii) Social security and other payroll taxes;

(iii) Injuries and damages;

(iv) Consultants' fees and expenses; and

(v) Meals, traveling, and incidental expenses.

(b) *Maintenance.* (1) The cost of maintenance chargeable to the various operating expense and clearing accounts includes labor, employee pensions and benefits, social security and other payroll taxes, injuries and damages, materials, overheads, and other expenses incurred in maintenance work. A list of work operations applicable generally to utility plant is included in this paragraph (b). Other work operations applicable to specific classes of plant are listed in functional maintenance expense accounts.

(2) Materials recovered in connection with the maintenance of property shall be credited to the same account to which the maintenance cost was charged.

(3) If the book cost of any property is carried in Account 102, Electric Plant Purchased or Sold, the cost of maintaining such property shall be charged to the accounts for maintenance of property of the same class and use, the book cost of which is carried in other electric plant in service accounts. Maintenance of property leased from others shall be treated as provided in paragraph (c) of this section.

(4) Items:

(i) Direct field supervision of maintenance;

(ii) Inspecting, testing, and reporting on condition of plant specifically to determine the need for repairs, replacements, rearrangements, and changes and inspecting and testing the adequacy of repairs which have been made;

(iii) Work performed specifically for the purpose of preventing failure, restoring serviceability or maintaining life of plant;

(iv) Rearranging and changing the location of plant not retired;

(v) Repairing for reuse materials recovered from plant;

(vi) Testing for, locating, and clearing trouble;

(vii) Net cost of installing, maintaining, and removing temporary facilities to prevent interruptions in service; and

(viii) Replacing or adding minor items of plant which do not constitute a retirement unit.

(c) *Rents.* (1) The rent expense accounts provided under the several functional groups of expense accounts shall include all rents, including taxes paid by the lessee on leased property, for property used in utility operations, except minor amounts paid for occasional or infrequent use of any property or equipment and all amounts paid for use of equipment that, if owned, would be includible in plant Accounts 391 to 398 inclusive, which shall be treated as an expense item and included in the appropriate function account and rents which are chargeable to clearing accounts, and distributed therefrom to the appropriate account.

(2) If rents cover property used for more than one function such as production and transmission, or by more than one department, the rents shall be apportioned to the appropriate rent expense or clearing accounts of each department on an actual, or if necessary, an estimated basis.

(3) When a portion of property or equipment rented from others for use in connection with utility operations is subleased, the revenue derived from such subleasing shall be credited to the rent revenue account in operating revenues; provided, however, that in case the rent was charged to a clearing account, amounts received from subleasing the property shall be credited to such clearing account.

(4) The cost, when incurred by the lessee, of operating and maintaining leased property, shall be charged to the accounts appropriate for the expense if the property were owned.

(5) The cost incurred by the lessee of additions and replacements to electric plant leased from others shall be account for as provided in § 1767.16 (f).

(d) *Training costs.* (1) When it is necessary that employees be trained to specifically operate or maintain plant facilities that are being constructed, the related costs shall be accounted for as a current operating and maintenance expense.

(2) These expenses shall be charged to the appropriate functional accounts currently as they are incurred.

(3) When the training costs involved relate to facilities which are not conventional in nature, or are new to the company's operations, see § 1767.16 (c)(19), for the accounting.

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#### § 1767.18 Assets and other debits.

The asset and other debits accounts identified in this section shall be used by all RUS borrowers.

##### ASSETS AND OTHER DEBITS

###### *Utility Plant*

- 101 Electric Plant in Service
- 101.1 Property Under Capital Leases
- 102 Electric Plant Purchased or Sold
- 103 Experimental Electric Plant Unclassified
- 104 Electric Plant Leased to Others
- 105 Electric Plant Held for Future Use
- 106 Completed Construction not Classified—Electric
- 107 Construction Work in Progress—Electric
- 107.1 Construction Work in Progress—Contract
- 107.2 Construction Work in Progress—Force Account
- 107.3 Construction Work in Progress—Special Equipment
- 108 Accumulated Provision for Depreciation of Electric Utility Plant
- 108.1 Accumulated Provision for Depreciation of Steam Production Plant
- 108.2 Accumulated Provision for Depreciation of Nuclear Production Plant
- 108.3 Accumulated Provision for Depreciation of Hydraulic Production Plant
- 108.4 Accumulated Provision for Depreciation of Other Production Plant
- 108.5 Accumulated Provision for Depreciation of Transmission Plant
- 108.6 Accumulated Provision for Depreciation of Distribution Plant
- 108.7 Accumulated Provision for Depreciation of General Plant
- 108.8 Retirement Work in Progress
- 109–110 [Reserved]
- 111 Accumulated Provision for Amortization of Electric Utility Plant
- 112–113 [Reserved]
- 114 Electric Plant Acquisition Adjustments
- 115 Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments
- 116 Other Electric Plant Adjustments
- 118 Other Utility Plant
- 119 Accumulated Provision for Depreciation and Amortization of Other Utility Plant